

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

Inspection Report Minerals Regulatory Program May 22, 2008

Reviewed: LK

Mine Name: Redd Block IV **Operator Name:** Denison Mines

Permit number: M0370046 Inspection Date: April 30, 2008

Inspector(s): Paul Baker Other Participants: None Mine Status: Inactive

Time: 1:30-2:00 PM

Weather: Partly cloudy, 60s

Elements of Inspection	Evaluated	Comment	Enforcement
 Permits, Revisions, Transfer, Bonds Public Safety (shafts, adits, trash, signs, highwalls) Protection of Drainages / Erosion Control Deleterious Material Roads (maintenance, surfacing, dust control, safety) Concurrent Reclamation Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes) 			
8. Soils9. Revegetation10. Other			

Purpose of Inspection:

This was a routine inspection.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

On November 13, 2007, the Division sent a letter to the operator approving the new reclamation contract. The operator name changed from International Uranium to Denison Mines, but this was not considered a permit transfer.

The surety being held for reclamation of this site is \$13,200.00. The amount is due for adjustment in 2010.

10. Other

The site consists of two empty water treatment ponds, a flattened area with a concrete pad, an opened cased hole (water monitoring well?) next to the pad, and some power poles with Utah Power labels. This mine has never been opened. I dropped a few rocks in the cased hole, and it took about eight seconds for them to hit the bottom. I did not hear a splash.

Conclusions and Recommendations:

The drill hole should be capped.

Inspection Date: April 30, 2008; Report Date: May 21, 2008

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Inspector's Signature

PBB:pb

cc: Harold Roberts, Denison

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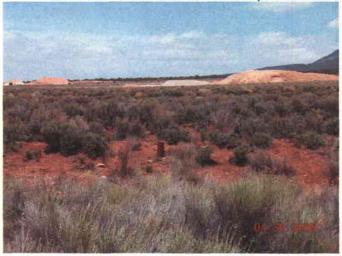


Photo 1. This appears to be a water monitoring well, but it was not capped.



Photo 2.



Photo 3. This is one of the ponds.



Photo 4. An overview of the area where the concrete pad is located.